

TRIPURA



GAZETTE

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**PART--I-- Orders and Notifications by the Government of Tripura,
The High Court, Government Treasury etc.**

**GOVERNMENT OF TRIPURA
FINANCE DEPARTMENT**

No.F.10(4)-FIN(G)/15(L)/Part-I/592-732

Dated, Agartala, the 16th March, 2024.

NOTIFICATION

Subject: Modification of Rules of the General Financial Rules, 2017 (as adopted by the State of Tripura).

In pursuance of the Office Memorandum of Department of Expenditure (Procurement Policy Division), Ministry of Finance, Government of India Vide Notification No.F.1/2/2023-PPD, dated 01st January, 2024 (copy enclosed herewith) the Governor of Tripura is pleased to make following partial modification in Rule 171 (i) in the General Financial Rules, 2017 (as adopted in the State of Tripura) vide Notification No. F. 10(4)-FIN(G)/15(L) dated 24.08.2017.

A. In Rule 171(i): Performance Security

The provision shall be read as, "To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security, **in respect of procurement only of Goods/ Consultancy Services/ Non Consultancy Services, should be for an amount of three to five per cent (3% to 5%)** of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, Fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e-Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects".

(B) Accordingly, amount of Performance Security will also stand modified from existing to 3% to 5% at all places, including following paragraphs in the Procurement manuals:

(i) Para 6.1.2 of Manuals for Procurement of Goods.

(ii) Para 6.2.6(iv) of Manuals for Procurement of Consultancy and Other Services.

(C) All procuring entities are requested to issue future tenders with the performance security as stipulated above. They may also consider modifying tenders already issued and yet to open, as above, wherever feasible.

(D) The amount of performance security plus security deposit/retention money for Procurement of Works will continue to be 3% to 10%.

By order of the Governor,

Enclo: As stated above.

Signed by Prithviraj

Debnath

Date: 16-03-2024 14:55:55

(P. Debnath)

Under Secretary to the
Government of Tripura

To

The all Principal Secretaries/Secretaries/Special Secretaries of all Departments/ All Heads of Departments.

No.F.1/2/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

264-C, North Block, New Delhi,
01.01.2024

OFFICE MEMORANDUM

Subject: - Amendment in General Financial Rules, 2017 – Rule 171(i) Performance Security Regarding.

Reference: In supersession of OM of even No. dated 29.12.2023.

Attention is invited towards Rule 171(i) of General Financial Rules, 2017 regarding Performance Security as amended vide OM No. 1/2/2023-PPD dated 03.04.2023. It has been decided to amend the Rule 171(i) of GFRs, 2017 as under:

Existing Rule	Revised Rule
<p>Rule 171(i): To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security should be for an amount of three to ten per cent (3-10%) of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e- Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects.</p>	<p>Rule 171(i): To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security, in respect of procurement only of Goods/ Consultancy Services/ Non Consultancy Services, should be for an amount of three to five per cent (3-5%) of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e- Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects.</p>

2. Accordingly, amount of Performance Security will also stand modified from existing to 3-5% at all places, including following paragraphs in the procurement manuals:

- (i) Para 6.1.2 of Manuals for Procurement of Goods,
- (ii) Para 6.2.6(iv)(a) of Manual for Procurement of Consultancy and Other Services.

3. All procuring entities are requested to issue future tenders with the performance security as stipulated above. They may also consider modifying tenders already issued and yet to open, as above, wherever feasible.

4. The amount of performance security plus security deposit/ retention money for procurement of works will continue to be 3% to 10%.

5. This OM is also available on website of Department of Expenditure; www.doe.gov.in - > Notification -> Circular -> Procurement Policy OM.

Kanwalpreet
01/01/2024
(Kanwalpreet)
Director (PPD)
Tel.23093811
email: kanwal.irss@gov.in

To,

All the Secretaries and Financial Advisors to Government of India.